



**THE NORTHWEST  
SEAPORT ALLIANCE**  
Gateway to Solutions

**Item 5A**  
**Meeting: 6/06/17**

# 2017-2018 Vessel Service Agreements

June 6, 2017

# Action Requested:

**Request Managing Member authorization for the CEO or delegate to enter into Vessel Service Agreements (VSA) with the following current and prospective customers between July 1, 2017 through June 30<sup>th</sup> 2018:**

- **NYK**
- **Mitsui OSK (MOL)\***
- **Siem Car Carriers**
- **Eukor Car Carriers\***
- **Hyundai-GLOVIS Ocean Group**
- **Wallenius Wilhelmsen Logistics\***
- **World Logistic Services\***
- **“K” Line\***

**\* Indicates a current VSA partner**



EB-1

Blair

Terminal 7

54th Ave

Taylor Way

Lincoln Ave

Alexander Ave

PORT OF TACOMA ROAD

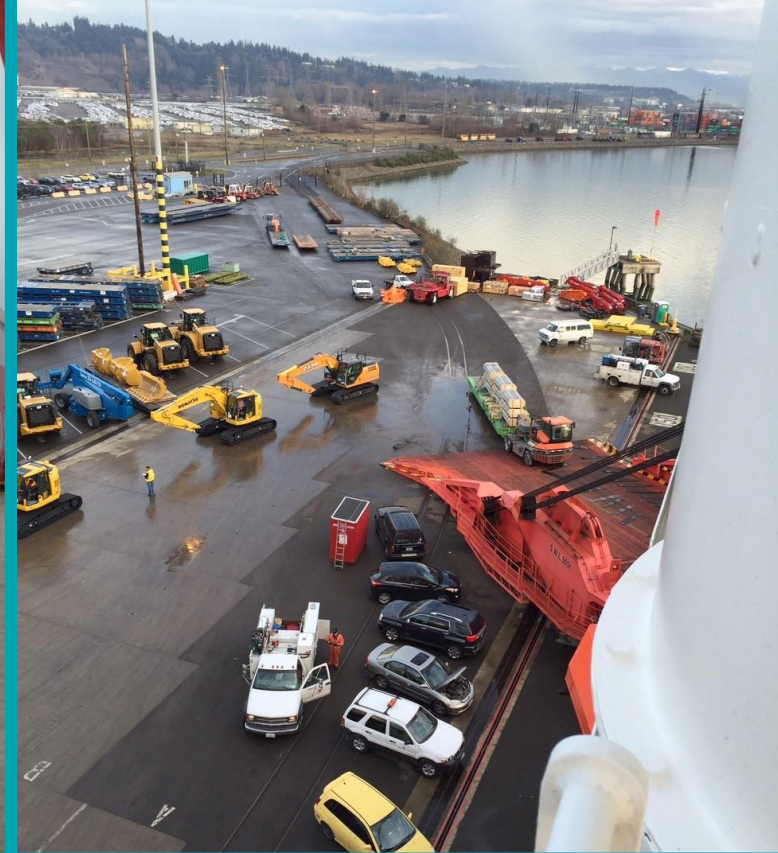
HYLEBOS WATERWAY

BLAIR WATERWAY

SITCUM WATERWAY

PUYALLUP RIVER

COMMENCEMENT BAY



# Background:

VSA's offer a discount from the Public Tariff. The Public Tariff is designed to cover the terminal and handling cost associated with Breakbulk cargo imported/exported on NWSA terminals:

## **Typical Operations Include:**

### **Import:**

- Receive cargo from the steamship Line
- Conduct inventory and damage inspections
- Move the cargo to a place of rest
- Use top picks/forklifts to load trucks/trains (if necessary)

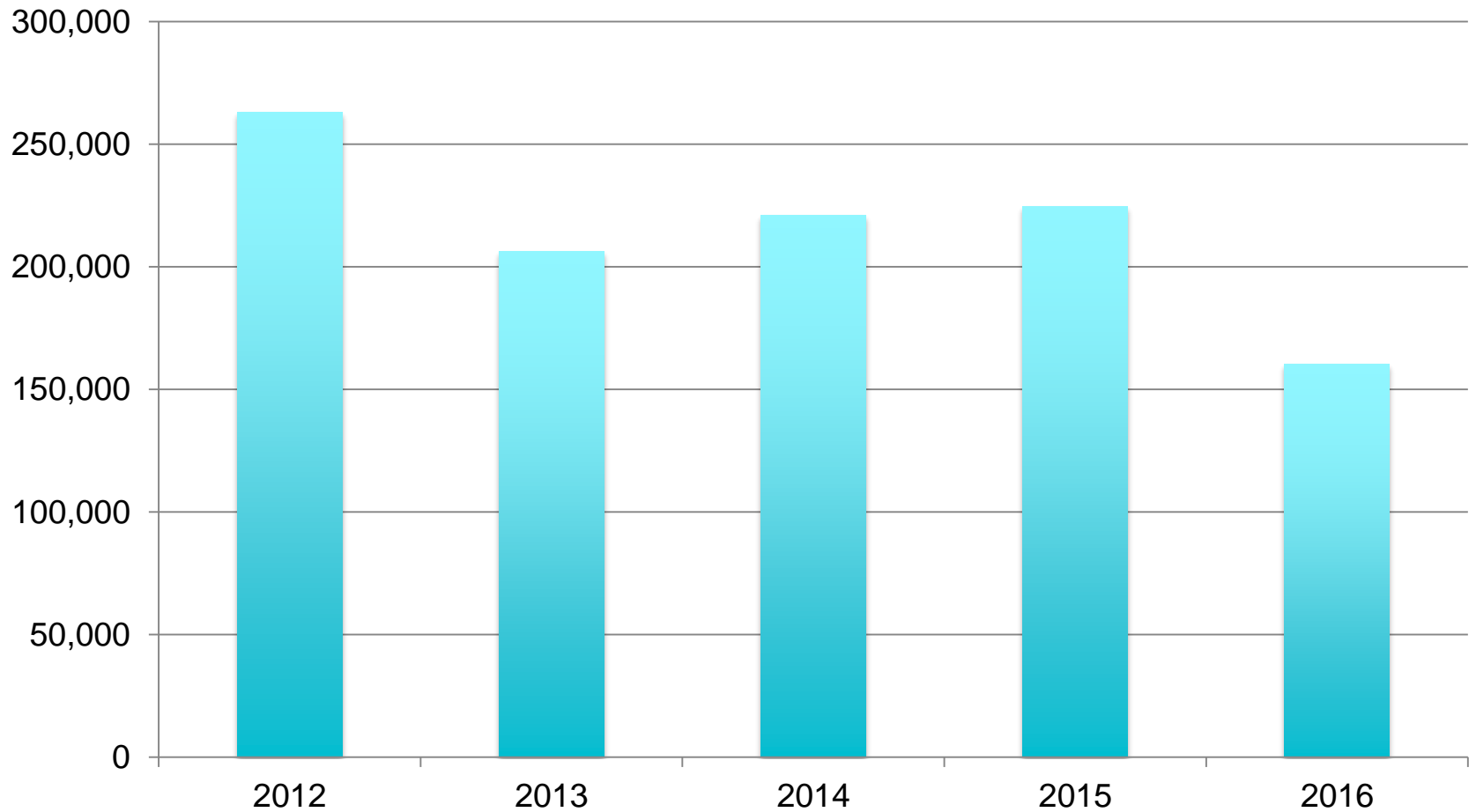
### **Export:**

- Receive the cargo from the exporter via truck or rail
- Inspect the cargo
- Use top picks/forklifts to unload the trucks/trains (if necessary)
- Moves the cargo to a place of rest
- Release cargo to the vessel stevedore for load back onto the vessel

# Background Continued

- **VSA's are one year in duration:**
  - If a customer requests a VSA with a term longer than one year, staff will bring individual agreement forward for Managing Member review and action
- **VSA's provide the NWSA with the following:**
  - New cargo opportunities
  - Exclusivity of port calls and/or a minimum annual guarantee of cargo

# Breakbulk Tonnage Handled (Short Tons)



# Financial Summary

**The 2017 projected revenue for the Breakbulk business is approximately \$9 million. The projected revenue is consistent with past years and takes into consideration the service agreements.**



# Conclusion:

**Request Managing Member authorization for the CEO or delegate to enter into Vessel Service Agreements (VSA) with the following current and prospective customers between July 1, 2017 through June 30<sup>th</sup> 2018:**

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